

‘Sites and Services’ Initiatives of World Bank for housing development

Summary:

Globally, 1970s onwards national governments shifted their approach towards self-help housing paradigm with ‘sites and services’ as one of the fundamental alterations in policy from public provision to enabling people in private housing construction. Between the early 1970s and end of the 20th century, the World Bank invested in 100 sites and services projects across 53 countries with a total investment of USD 14.6 billion. Out of this USD 1 billion was invested in India with an average implementation of 8 years across the projects. The objective of the program was to provide housing for poor through provision of small serviced plots with neighbourhood facilities. However, the project was discredited and ultimately abandoned in mid 1990s due to various mixed reactions and factors. After 20 to 30 years of the project implementation, the projects have worked, with neighbourhood fully built accompanied by heavy capital investment by the users, highlighting the ultimate outcome achievement.

Objectives:

The objective of sites and services programs was delivery of incremental housing for the poor through the provision of small serviced plots with neighbourhood facilities and sometimes with a core housing unit. It targeted 27 cities in India across different States.

Key Stakeholders:

- The World Bank
- Ministry of Housing and Urban Affairs (then Ministry of Urban Development)
- State Governments
- Urban Local Bodies
- Financial Intermediaries and other State Parastatals
- Economically weaker section and low-income group people.

Implementation Strategy:

In India, between 1973 to 1997, the World Bank supported ‘sites and services’ projects in 27 cities to provide 2.79 lakh plots with an investment of around USD 1 billion with an average implementation period of 8 years.

The projects were planned to create an integrated neighbourhood to provide for basic needs and livelihood opportunities as well. The project had the following components:

- Physical components: Building plots for the dwelling units, basic facilities like drainage, sewage, water, roads, solid waste collection services etc. was the core component of the projects.
- Social components: The provision of social services has been an essential aspect of preparation of sites and services projects. Health and education facilities, community centres, and recreational areas were included in the projects depending upon the existing and proposed plans beyond the project.
- Economic services: Markets and commercial activities were also permitted for people's daily basic need and improve the overall standard of living.



Resource Utilisation:

- The first World Bank sites and services project in India was approved in 1973 in Calcutta. Between 1973 and 1997, the World Bank financed 11 projects in India with sites and services components, covering approximately 3,200 hectares and providing approximately 280,000 plots across 27 cities.
- There were two major project cities- Mumbai and Chennai where about USD 200 million was invested in developing 28 sites.
- Across two cities out of all the project areas under the project, in Chennai, 13 sites were developed, and 57,000 plots were delivered between 1977 and 1997.

- In Mumbai, the project delivered 88,000 plots and 17,000 apartments over 15 sites. However, almost none of the project sites had significant number of houses and residents by the time of project closure. This was cause of concern for State Governments and hence resulted in not pursuing for such initiatives after these projects (discussed in next paragraph).

Impact/ Outcome:

Cities, States and the World Bank witnessed mixed implementation experience, and hence this model was discredited and ultimately abandoned in the mid-1990s. The main factors for such experiences included projects taking too long, complicated in nature, 'leakage' of plots to the non-poor, and remotely located sites suffered low occupancy. As per the Owens, K. et. al, 2016, at that time evaluators measured projects based on defined rates of completion, cost recovery, and achievement of stated objectives within the project duration. As projects had limited lifespans, many projects could not deliver fully against these metrics and hence faced criticism. However, after 20 years of last 'sites and services' projects, the World Bank team visited the 15 sites in India across Mumbai and Chennai and witnessed thriving neighbourhoods in the areas which were once declared as failure projects.

- After 20 to 30 years, it has been recorded at multiple places that these projects have worked. Beneficiaries settled on these sites and invested incrementally to expand and improve their units. The 15 sites studied by World Bank showed that neighbourhoods were largely fully built with heavy capital investment, with less than 10 per cent of the vacant plots. People added spaces/ floors, upgraded amenities and invested in improving construction material, with most of the houses with 2 to 3 storeys suggesting the accommodation of expanding family needs over the generations or creating rental housing market in the serviced area.
- The unique design features such as provision of small serviced plots along wide range of plot sizes resulted in mixed-income neighbourhoods. The site planning norms followed in the projects created a hierarchical street grid and open space network that in turn improved walkability and quality of life. With the decision of inclusion of space for social infrastructure including schools, clinics and shops further enhanced convenience and liveability. As per the World Bank Study, the current neighbourhoods have these types of business, services and amenities which were envisaged under the plan which has resulted in mixed-use development and vibrant streets.
- World Bank assessed these sites through a 'Living Conditions Diamond Framework', which postulates that living conditions are a composite of four dimensions—the dwelling unit, infrastructure, tenure and the neighbourhood. It was found by authors that these projects have succeeded in delivering across all the four dimensions.

Challenges/ Lessons learnt:

Such initiatives have showcased the results over a long duration, much beyond the project lifespans. The recent World Bank study of Chennai and Mumbai projects demonstrate that incremental housing can work especially for low-income groups which can expand based on availability of capital with them over time. Further, it is highlighted by Gulayani, S., 2016, that city government can use these sites and services approach with well-defined planning norms to shape future urban growth. Complementing this incremental development process with neighbourhood planning, it has potential to develop inclusive, compact and liveable neighbourhoods. Overall, it can be stated that one of the positive aspects of this approach is its recognition of the ability of people to build houses on their own with support from Government agencies. Hence, shifting the role of Government from 'provider' to 'enabler', which has worked well in case of BLC component that needs to be expanded for future generations.

Replicability and Sustainability:

Sites and services created a paradigm shift in national housing policy moving governments from slum demolition and housing construction to the provision of fully serviced plots. The Sites and Services initiative taken by the World Bank although was declared to be a failure project but proved to be successful in the longer period. It suggests that we have a tool that can be deployed both for creating affordable housing and managing urban expansion.

Fact Sheet:

Thematic area	Integrated development for urban poor with focus on self-development/ incremental housing
First-year of the program	1973
Responsible institution	World Bank, State Government, Municipality, Ministry of Housing and Urban Affairs.
Target audience	Low-income families
Coverage	India - National

Sources:

Gulyani, S, and Connors, G. 2002, Urban Upgrading in Africa: A Summary of Rapid Assessments in Ten Countries. Washington, DC: World Bank; Owens, K., Gulyani, S., and Rizvi, A., 2016, *Success when we deemed it failure? Revisiting Sites and Services Projects in Mumbai and Chennai 20 Years Later (Draft)*; *The World Bank Social, Urban, Rural and Resilience Global Practice*; Gulyani, S., 2016, *Success when we deemed it failure? Revisiting sites and services 20 years later*, World Bank blogs, published on sustainable cities; Srinivas, H., *Sites and Services, Urban Squatter and slums, Urban Environment Management, The Global Development Research Centre, India*; World Bank, 1974, *Sites and Services Projects- A world Bank Paper*.